



CIO OFFICE: Equity Market Update 28th May 2020

Developed Markets

- ✓ U.S. stocks advanced for a third day on rising optimism that the pandemic's damage to the economy has peaked. The S&P 500 rose by +1.48%, an 11-week high, holding above 3,000 and its 200-day moving average.
- ✓ For a second day, stocks most punished by the effects of the economy shutting, from Carnival Corp. to United Airlines, were the top performers as investors anticipate a sharp uptick in spending on non-essential goods and services.
- ✓ The Nasdaq turned positive late in the session after Micron Technologies earnings guidance lifted chipmakers. The Index was up +0.77%.
- ✓ The Russell 2000 jumped by 3.1%, and the Dow Jones Industrial Average surged 2.2%, the latter led by financials and a rally of value stocks.
- ✓ The Stoxx Europe 600 rose by +0.24%. Details emerged of Europe's package of grants to loans for up to EUR 750bn (USD 823bn) to overcome the region's deep recession.

Emerging Markets

- ✓ Investors are closely watching the new U.S.-China friction, including possible sanctions over Beijing's crackdown in Hong Kong, as global stocks trade near levels not seen since early March on hopes that economies are beginning to recuperate after a deep downturn. The CSI 300 index was down -0.44% on Wednesday.
- ✓ Hong Kong is seeing the impact from a possible U.S. reaction to trade, listing of China companies in the U.S. and protests.

GCC

- ✓ The UAE stock markets opened higher on the first day after a 5-day Eid break on Wednesday, driven by the optimism of the gradual reopening of the Dubai economy. Dubai Index closed up 2.4%, while the Abu Dhabi Index was +0.5%.

Company News

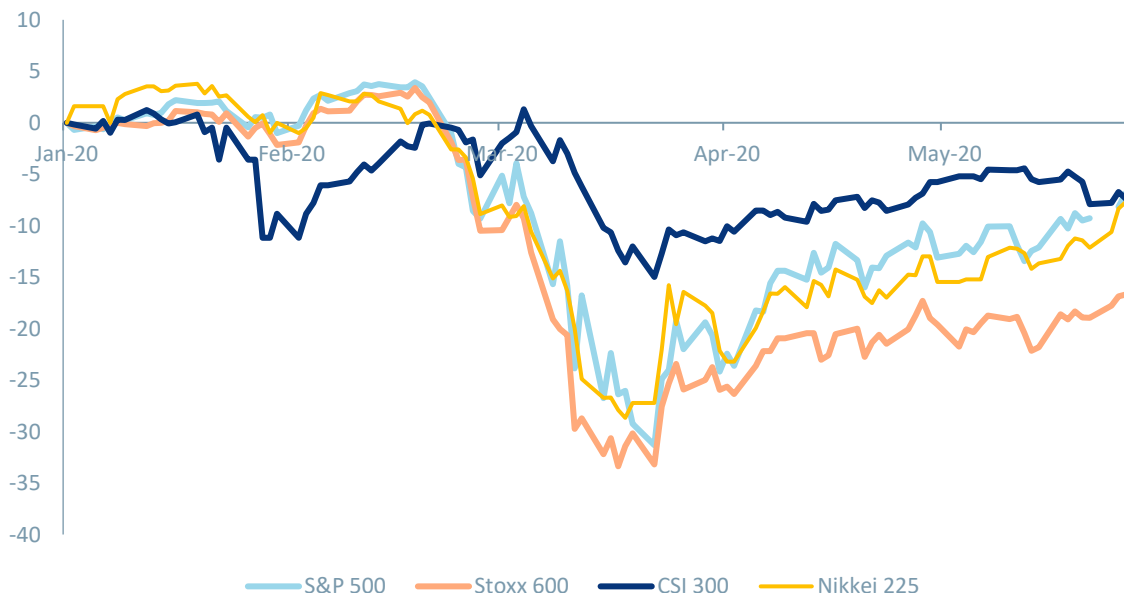
- ✓ **Chevron** plans a 10-15% reduction in its global workforce this year to lower costs. That's about 6,000 of its 45,000 non-gas station employees, and could be a precursor to cuts at Big Oil Rivals such as BP and Shell.
- ✓ **Amazon** is in talks to buy Zoox Inc., a driverless vehicle startup; the deal could save the e-commerce giant more than USD 20bn annually.
- ✓ **Tencent** to invest USD 70bn in Cloud, AI projects in China.
- ✓ **Deere & Co.** Board of Directors declared a regular quarterly dividend of USD 0.76 per share on common stock, payable August 10, 2020, to stockholders of record on June 30, 2020.
- ✓ Swiss Startup **Eidoo** launches Visa-branded crypto debit card in Europe and the UK.

Global Equity Indices

Ticker	Country	Index	Last Price	%1D	%5D	YTD	2019	P/E	P/B	Div. Yield	ROE
Developed Markets											
SPX Index	US	S&P 500 INDEX	3034	1.4%	3.8%	-5.3%	31.5%	24.29	3.31	2.0%	14.5%
INDU Index	US	DOW JONES INDUS. AVG	25548	2.2%	5.5%	-9.6%	25.3%	23.34	3.67	2.5%	20.2%
CCMP Index	US	NASDAQ COMPOSITE INDEX	9412	0.8%	2.5%	5.4%	36.7%	34.55	4.95	1.0%	32.1%
RTY Index	US	RUSSELL 2000 INDEX	1436	3.1%	9.8%	-13.5%	25.5%	73.23	1.84	1.6%	206.4%
SXXP Index	Europe	STXE 600 (EUR) Pr	350	0.2%	2.0%	-14.6%	27.9%	19.53	1.50	3.3%	4.2%
UKX Index	UK	FTSE 100 INDEX	6144	1.3%	2.4%	-17.2%	17.2%	18.03	1.44	4.1%	3.0%
HSI Index	Hong Kong	HANG SENG INDEX	23301	-0.4%	-4.5%	-16.7%	13.0%	10.95	0.94	3.7%	10.5%
NKY Index	Japan	NIKKEI 225	21419	0.7%	4.0%	-8.6%	20.7%	19.71	1.52	2.1%	7.5%
NDDUWI Index	DM	MSCI DM TR USD	6243	1.6%	1.1%	-9.7%	27.7%	21.77	2.21	2.4%	7.5%
Emerging Markets											
SHSZ300 Index	China	CSI 300 INDEX	3846	-0.7%	-2.3%	-5.9%	39.2%	12.18	1.54	2.6%	10.9%
SENSEX Index	India	S&P BSE SENSEX INDEX	31605	3.3%	4.7%	-23.2%	15.7%	17.23	2.18	1.8%	12.6%
DFMGI Index	UAE	DFM GENERAL INDEX	1984	2.4%	3.8%	-25.0%	14.2%	9.35	0.68	3.5%	7.1%
ADSMI Index	UAE	ADX GENERAL INDEX	4134	0.5%	1.7%	-14.0%	8.4%	14.33	1.23	4.7%	11.3%
SASEIDX Index	KSA	TADAWUL ALL SHARE INDEX	7051	0.0%	5.0%	-14.3%	10.9%	20.72	1.87	3.3%	17.2%
NADUEEGF Index	EM	MSCI EM TR USD	441	1.7%	-0.5%	-16.3%	18.4%	14.49	1.31	2.8%	10.4%
World Sectors											
MXWD0FN Index		MSCI ACWI/FINANCE	95	4.3%	3.1%	-26.6%	24.1%	12.44	0.85	3.9%	9.8%
MXWD0IT Index		MSCI ACWI/INF TECH	323	0.1%	-0.6%	3.0%	47.5%	24.28	5.10	1.4%	23.0%
MXWD0HC Index		MSCI ACWI/HLTH CARE	280	0.0%	-0.5%	0.6%	23.3%	18.84	3.90	1.9%	21.4%
MXWD0CD Index		MSCI ACWI/CONS DIS	264	1.9%	0.9%	-5.0%	28.2%	35.98	2.99	1.3%	7.8%
MXWD0IN Index		MSCI ACWI/INDUSTRIL	219	3.4%	3.5%	-16.3%	27.2%	22.24	2.28	2.3%	8.5%
MXWD0TC Index		MSCI ACWI/COMM SVC	80	0.7%	0.2%	-2.3%	25.1%	21.29	2.38	1.7%	10.0%
MXWD0CS Index		MSCI ACWI/CON STPL	229	0.9%	0.1%	-8.7%	22.4%	20.21	3.59	2.9%	19.8%
MXWD0EN Index		MSCI ACWI/ENERGY	139	2.3%	0.2%	-32.8%	13.9%	73.11	0.99	5.6%	2.1%
MXWD0MT Index		MSCI ACWI/MATERIAL	239	1.8%	0.7%	-13.1%	20.8%	19.67	1.51	3.1%	7.2%
MXWD0UT Index		MSCI ACWI/UTILITY	131	1.2%	1.1%	-11.4%	22.3%	15.78	1.53	4.0%	10.9%
MXWD0RL Index		MSCI ACWI/REAL EST	920	3.2%	3.3%	-17.8%	24.0%	18.89	1.31	4.1%	9.4%
Key Levels											
XAUUSD Cmpl Curr Gold		XAU-USD X-RATE	1713	0.3%	-0.6%	-0.6%	34.1%				
USGG10YR Index	10 Year Yield	US Generic Govt 10 Yr	0.68	-1.9%	0.5%	0.5%	-70.5%				
USGG2YR Index	2 Year Yield	US Generic Govt 2 Yr	0.18	4.8%	10.2%	10.2%	-91.7%				
_CO1 Comdty	Brent	Generic 1st 'CO' Future	34.8	-3.9%	-2.7%	-2.7%	-50.4%				

Source: Bloomberg: 12:05 am 28th May 2020

Exhibit: S&P 500, Stoxx 600, CSI 300, Nikkei 225 YTD (%) Performance



Source: Bloomberg 28th May 2020

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